



DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

C-570-052

Certain Hardwood Plywood Products from the People's Republic of China: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The U.S. Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order on certain hardwood plywood products (hardwood plywood) from the People's Republic of China (China) would be likely to lead to the continuation or recurrence of countervailable subsidies at the levels indicated in the "Final Results of Sunset Review" section of this notice.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Kelsie Hohenberger, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2517.

SUPPLEMENTARY INFORMATION:

Background

On January 4, 2018, Commerce published in the *Federal Register* the *Order* on hardwood plywood from China.¹ On December 1, 2022, Commerce published the notice of initiation of the first sunset review of the *Order*, in accordance with section 751(c) of the Tariff Act of 1930, as amended (the Act).² On December 13, 2022, Commerce received a timely notice of intent to participate from the Coalition for Fair Trade in Hardwood Plywood (Coalition), a

¹ See *Certain Hardwood Plywood Products from the People's Republic of China: Countervailing Duty Order*, 83 FR 513 (January 4, 2018) (*Order*).

² See *Initiation of Five-Year (Sunset) Reviews*, 87 FR 73757 (December 1, 2022).

domestic interested party.³ The Coalition claimed interested party status under section 771(9)(C) of the Act as a group of domestic producers engaged in the production of hardwood plywood in the United States.

On January 3, 2023, Commerce received a timely and adequate substantive response from the Coalition.⁴ We received no substantive responses from any other interested parties, including the Government of China, nor was a hearing requested. On January 25, 2023, Commerce notified the U.S. International Trade Commission that it did not receive an adequate substantive response from respondent interested parties.⁵ As a result, pursuant to 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted an expedited (120-day) sunset review of the *Order*.

Scope of the *Order*

The merchandise covered by the *Order* is hardwood and decorative plywood, and certain veneered panels. For a complete description of the scope, *see* the Issues and Decision Memorandum.⁶

Analysis of Comments Received

All issues raised in this sunset review are addressed in the accompanying Issues and Decision Memorandum, which is hereby adopted by this notice. The issues discussed in the Issues and Decision Memorandum are the likelihood of continuation or recurrence of countervailable subsidies, the net countervailable subsidy rates that are likely to prevail, and the nature of the subsidies. A list of the topics discussed in the Issues and Decision Memorandum is attached as an appendix to this notice.

The Issues and Decision Memorandum is a public document and is on file electronically

³ See Coalition's Letter, "Notice of Intent to Participate in Sunset Review," dated December 13, 2022.

⁴ See Coalition's Letter, "Substantive Response to the Notice of Initiation," dated January 3, 2023 (Coalition's Substantive Response).

⁵ See Commerce's Letter, "Sunset Reviews Initiated on December 1, 2022," dated January 25, 2023.

⁶ See Memorandum, "Issues and Decision Memorandum for the Final Results of the Expedited First Sunset Review of the Countervailing Duty Order on Certain Hardwood Plywood Products from the People's Republic of China," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Final Results of Sunset Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, Commerce determines that revocation of the *Order* would be likely to lead to the continuation or recurrence of countervailable subsidies at the rates listed below:

Producer/Exporter	Subsidy Rate (percent <i>ad valorem</i>)
Shandong Dongfang Bayley Wood Co., Ltd ⁷	194.90
Linyi Sanfortune Wood Co., Ltd	22.98
All Others	22.98
Non-cooperative Companies ⁸	194.90

Administrative Protective Order (APO)

This notice also serves as the only reminder to parties subject to an APO of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act and 19 CFR 351.218.

Dated: February 27, 2023

⁷ Commerce found that Shandong Dongfang Bayley Wood Co., Ltd. is cross-owned with Linyi Yinhe Panel Factory, a producer of subject merchandise. Commerce also applied Shandong Dongfang Bayley Wood Co., Ltd.'s rate to Linyi Yinhe Panel Factory. *See Order*, 83 FR at 516.

⁸ Fifty-nine non-cooperative companies received a subsidy rate based on facts available with an adverse inference. *See Countervailing Duty Investigation of Certain Hardwood Plywood Products from the People's Republic of China: Final Affirmative Determination, and Final Affirmative Critical Circumstances Determination, in Part*, 82 FR 53473, 53474 (November 16, 2017).

/S/ Abdelali Elouaradia

Abdelali Elouaradia
Deputy Assistant Secretary
for Enforcement and Compliance

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. History of *Order*
- V. Legal Framework
- VI. Discussion of the Issues
 - 1. Likelihood of Continuation or Recurrence of Countervailable Subsidies
 - 2. Net Countervailable Subsidy Rates that Are Likely to Prevail
 - 3. Nature of the Subsidies
- VII. Final Results of Sunset Review
- VIII. Recommendation

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